

Southern District of Florida

Press Release

THREE MASTERVEND MARKETING, INC., DEFENDANTS SENTENCED FOR CONSPIRACY TO COMMIT WIRE FRAUD

June 21, 2007

FOR IMMEDIATE RELEASE

R. Alexander Acosta, United States Attorney for the Southern District of Florida, and Henry Gutierrez, Postal Inspector in Charge, United States Postal Inspection Service, announced that defendants **Evans Eric Baros, Jr.**, **Samuel Elmowitz**, and **Dana Kerri Elmowitz Pearl** were sentenced today by United States District Court Judge Ursula Ungaro-Benages in Miami, Florida.

Baros was sentenced to a term of 26 months' imprisonment and a term of 3 years of supervised release, and was ordered to pay \$339,071.68 in restitution. Elmowitz was sentenced to a term of 5 years' probation and a term 12 months' home confinement with electronic monitoring, and was ordered to pay \$341,539.70 in restitution. Pearl was sentenced to a term of 12 months and one day of imprisonment, with and a term of 3 years of supervised release, and was ordered to pay \$359,763.47 in restitution.

On November 30, 2006, defendants Baros, Elmowitz and Pearl were charged by a Miami grand jury with conspiracy to commit wire fraud, in violation of Title 18, United States Code, Section 371. On January 31, 2007, Elmowitz pled guilty to the charges. On February 7, 2007, Baros and Pearl each pled guilty as well.

Baros, Elmowitz and Pearl worked for MasterVend Marketing, Inc. ("MasterVend"), a North Miami Beach-based company that purportedly sold candy and "snack and soda" vending machine business opportunities to consumers across the United States. MasterVend was in business from January 2004 until February 2005. Baros was the owner, President, and a salesman for MasterVend. Elmowitz and Pearl were paid references for MasterVend.

According to the Indictment, potential purchasers were told that MasterVend was a profitable business opportunity when there was no basis for such a claim; that 80% of MasterVend business opportunity purchasers had ordered additional vending machines from MasterVend, when there were no repeat buyers; and that MasterVend would help secure high-traffic, profitable locations for its distributors to place their vending machines in the distributor's respective local areas, when MasterVend knew that buyers were not receiving high-traffic, profitable locations.

According to the Indictment, potential purchasers were also told that certain references had previously purchased one or more vending machines from MasterVend, when those references did not pay for their vending machines and did not operate their own MasterVend vending machines.

According to the Indictment, Baros, Elmowitz and Pearl conspired to unlawfully enrich themselves by obtaining money from potential purchasers by making materially false representations concerning expected profits, the services provided to purchasers, and the authenticity of MasterVend references. The MasterVend conspiracy victimized over 35 people and caused more than \$300,000 in victim losses.

The MasterVend prosecution is part of an ongoing crackdown on business opportunity fraud in South Florida that is being carried out by the United States Department of Justice, the United States Attorney's Office in Miami, the United States Postal Inspection Service, and the Federal Trade Commission.

Mr. Acosta commended the investigative efforts of the United States Postal Inspection Service. The case is being prosecuted by Jeffrey Steger, Trial Attorney, United States Department of Justice, Office of Consumer Litigation.

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